

IN THE UNITED STATES BANKRUPTCY COURT FOR THE
NORTHERN DISTRICT OF MISSISSIPPI

IN RE JA-CO FOODS, INC.

NO. 09-16017-DWH
CHAPTER 11

OBJECTION BY BANCORPSOUTH TO MOTION
FOR AUTHORITY TO ASSUME UNEXPIRED LEASES

COMES NOW BancorpSouth Bank, a party in interest, and objects to the Debtor's Motion for Authority to Assume Unexpired Leases [Dkt. #140] (the "Motion"). As grounds for objection, BancorpSouth shows as follows:

(1) The Debtor in this case is controlled by Ernie Jacobsen and Donna Jacobsen (jointly and severally, the "Jacobsens"), the debtors in a related Chapter 11 case in this Court, No. 09-15667-DWH. The Jacobsens are indebted to BancorpSouth on fifteen commercial loans having unpaid balances in the aggregate amount of \$5,062,994.54, the payment of which is secured by, among other things, duly perfected first mortgage liens against real property constituting a Sonic restaurant in Starkville, Mississippi.

(2) The Motion seeks authority to assume a lease referred to therein as "involving" the Sonic restaurant in Starkville.

(3) The subject lease is not attached to the Motion. The Motion does not disclose the terms of the subject lease or even the identity of the lessor.

(4) The Motion provides inadequate information - in fact, no information at all - for the Court or a party in interest to

determine whether assumption or rejection of the subject lease is in the best interest of the creditors, the Debtor or the estate or whether such would constitute appropriate exercise of business judgment.

(5) At no time since the commencement of this case have the Jacobsens, the Debtor or any other party paid any amount to BancorpSouth in connection with its mortgage interests in the Sonic restaurant in Starkville. The Jacobsens are in default under the terms of BancorpSouth's deeds of trust and the notes which they secure.

(6) The Motion is untimely under 11 U.S.C. 365(d)(4).

(7) All factual allegations of the Motion which are not expressly admitted in this Objection or which are inconsistent with the matters set forth in this Objection are denied, and proof of such allegations is required.

(8) Other grounds for objection may be raised at the hearing on the Motion.

WHEREFORE, BancorpSouth Bank requests the Motion be denied. BancorpSouth requests such other relief as may be appropriate.

Respectfully submitted,

BANCORPSOUTH BANK

By and through its attorney:

/s/ Les Alvis

LES ALVIS

Bar Number 1548

OF COUNSEL:

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CERTIFICATE OF SERVICE

I hereby certify that on July 1, 2010, I electronically filed the foregoing OBJECTION BY BANCORPSOUTH TO MOTION FOR AUTHORITY TO ASSUME UNEXPIRED LEASES with the Clerk of the Court using the ECF system which sent notification of such filing to the following:

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Additionally, on the date set forth below, I caused the within and foregoing OBJECTION BY BANCORPSOUTH TO MOTION FOR AUTHORITY TO ASSUME UNEXPIRED LEASES to be served upon the following by first class mail, postage prepaid:

G.E. Capital

8377 E. Hartford Dr., Ste.200
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IRS

Att: Special Procedures Staff
100 W. Capitol St.
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Jackson, MS 39269

tw telecom inc.

10475 Park Meadows Dr. No. 400
Littleton, CO 80124

This, the 1st day of July, 2010.

/s/ Les Alvis
LES ALVIS
Bar Number 1548